

Conference Engrossed

FILED
JANICE K. BREWER
SECRETARY OF STATE

State of Arizona
House of Representatives
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CHAPTER 345

HOUSE BILL 2865

AN ACT

AMENDING LAWS 2005, CHAPTER 298, SECTION 7; MAKING CAPITAL OUTLAY APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE AND FOR STATE INSTITUTIONS; REQUIRING CERTAIN REPORTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Laws 2005, chapter 298, section 7 is amended to read:

3 Sec. 7. Department of economic security; property conveyance;
4 privatized lease to own; appropriation

5 A. The sum of \$150,000 is appropriated from the state general fund in
6 fiscal year 2005-2006 to the department of economic security for a property
7 exchange CONVEYANCE with the city of Prescott AND REAL PROPERTY ACQUISITION
8 COSTS. Before executing any property exchange CONVEYANCE pursuant to this
9 subsection, the department of economic security shall submit the property
10 exchange agreement to the joint committee on capital review for its review.

11 B. The department of economic security may effect a capital lease to
12 build a multiservice center on the property acquired ~~through the exchange~~ as
13 authorized in subsection A of this section. Any lease agreement pursuant to
14 this section is subject to section 41-1958, Arizona Revised Statutes,
15 including review by the joint committee on capital review.

16 C. IF THE DEPARTMENT OF ECONOMIC SECURITY CONVEYS REAL PROPERTY
17 LOCATED AT 234 GROVE AVENUE IN PRESCOTT TO THE CITY OF PRESCOTT, SUBJECT TO
18 SECTION 37-803, ARIZONA REVISED STATUTES, THE DEPARTMENT MAY RETAIN ANY
19 PROCEEDS OF THE CONVEYANCE AND USE THOSE PROCEEDS FOR MOVING COSTS AND TO
20 ACQUIRE REAL PROPERTY FOR THE PURPOSE OF PROVIDING OFFICE SPACE FOR THE
21 DEPARTMENT AT SUCH PLACES AS THE DIRECTOR DEEMS NECESSARY AND SUITABLE
22 PURSUANT TO SECTION 41-1958, ARIZONA REVISED STATUTES.

23 D. ANY UNEXPENDED PROCEEDS OF THE PROPERTY CONVEYANCE DO NOT LAPSE TO
24 THE STATE GENERAL FUND UNTIL THE PURPOSE FOR WHICH THE FUNDS ARE AUTHORIZED
25 HAS BEEN ACCOMPLISHED OR ABANDONED OR THE APPROPRIATION STANDS FOR A FULL
26 FISCAL YEAR WITHOUT AN EXPENDITURE OR AN ENCUMBRANCE.

27 E. THE APPROPRIATION MADE IN SUBSECTION A OF THIS SECTION IS EXEMPT
28 FROM THE PROVISIONS OF SECTION 35-190, ARIZONA REVISED STATUTES, RELATING TO
29 LAPSING OF APPROPRIATIONS.

30 Sec. 2. Capital outlay appropriations; major maintenance and
31 repair of state buildings

32 A. Notwithstanding section 41-793.01, Arizona Revised Statutes, the
33 amounts appropriated in this section are appropriated for fiscal year
34 2006-2007 and shall be used by the applicable agency for major maintenance
35 and repair activities for state buildings in accordance with title 41,
36 chapter 4, article 7, Arizona Revised Statutes. Twenty-five per cent or less
37 of the monies may be spent for state building modifications to comply with
38 the federal Americans with disabilities act (42 United States Code sections
39 12101 through 12213 and 47 United States Code sections 225 and 611) or for
40 major maintenance and repair activities for state infrastructure. The monies
41 may be used only for facilities on the state building inventory or for
42 infrastructure that directly supports those facilities. Of the amounts
43 appropriated to the department of administration, up to \$275,000 in personal
44 services and employee-related expenditures for up to five full-time
45 equivalent positions may be allocated each fiscal year until the building

1 renewal projects are completed. All other monies appropriated in this
 2 section shall not be spent for personal services or employee-related
 3 expenditures or for maintenance contracts on building components and
 4 equipment without review by the joint committee on capital review. Any
 5 monies appropriated for building renewal in fiscal year 2006-2007 that are
 6 unexpended or unencumbered on June 30, 2008 shall revert to the fund from
 7 which the monies were appropriated. The building renewal expenditure plans
 8 submitted by agencies for review by the joint committee on capital review
 9 shall identify the components for each project that incorporate energy
 10 efficient systems.

11 B. ARIZONA BOARD OF REGENTS \$ 20,000,000

12 Fund source:

13 State general fund \$ 20,000,000

14 The Arizona board of regents shall require each university to establish
 15 a major maintenance and repair account for deposit of amounts allocated by
 16 the board to the university from the appropriation made in this subsection.
 17 Amounts deposited in this account shall only be used for the purposes
 18 provided in subsection A of this section.

19 C. DEPARTMENT OF ADMINISTRATION \$ 7,249,200

20 Fund sources:

21 State general fund \$ 3,849,200

22 Capital outlay stabilization fund \$ 3,400,000

23 The department of administration shall allocate the monies to state
 24 agencies for necessary building renewal. If monies in the capital outlay
 25 stabilization fund are insufficient to fund the appropriation to the
 26 department of administration for building renewal, the appropriation to the
 27 department of administration shall be reduced by the difference between the
 28 amount appropriated to the department of administration from the capital
 29 outlay stabilization fund and the balance in the capital outlay stabilization
 30 fund.

31 D. DEPARTMENT OF TRANSPORTATION \$ 3,702,900

32 Fund sources:

33 State highway fund \$ 3,627,100

34 State aviation fund \$ 75,800

35 E. ARIZONA EXPOSITION AND STATE FAIR BOARD \$ 1,508,400

36 Fund source:

37 Arizona exposition and state fair fund \$ 1,508,400

38 F. GAME AND FISH DEPARTMENT \$ 430,800

39 Fund source:

40 Game and fish fund \$ 430,800

41 G. ARIZONA LOTTERY COMMISSION \$ 53,600

42 Fund source:

43 State lottery fund \$ 53,600

1	Sec. 3. <u>Capital outlay appropriations; major capital projects:</u>	
2	<u>department of administration</u>	
3		<u>2006-2007</u>
4	Department of administration:	
5	1. <u>Prison cell locks and cell doors replacement</u>	\$ 5,200,000
6	Fund source:	
7	State general fund	\$ 5,200,000
8	2. <u>Yuma prison water treatment plant upgrade</u>	\$ 2,189,000
9	Fund source:	
10	Corrections fund	\$ 2,189,000
11	Total appropriation - department of administration	\$ 7,389,000
12	Fund sources:	
13	State general fund	\$ 5,200,000
14	Corrections fund	\$ 2,189,000
15	Sec. 4. <u>Capital outlay appropriations; major capital projects:</u>	
16	<u>game and fish department</u>	
17		<u>2006-2007</u>
18	Game and fish department:	
19	1. <u>Flood warning system</u>	\$ 350,000
20	Fund source:	
21	Game and fish capital improvement fund	\$ 350,000
22	2. <u>Black Canyon Dam modifications</u>	\$ 300,000
23	Fund source:	
24	Game and fish capital improvement fund	\$ 300,000
25	3. <u>Shooting range access improvements</u>	\$ 200,000
26	Fund source:	
27	Game and fish capital improvement fund	\$ 200,000
28	4. <u>Migratory waterfowl habitat</u>	\$ 100,000
29	Fund source:	
30	Waterfowl conservation fund	\$ 100,000
31	5. <u>Cluff ranch access improvements</u>	\$ 50,000
32	Fund source:	
33	Game and fish fund	\$ 50,000
34	6. <u>Yuma storage canopy</u>	\$ 35,000
35	Fund source:	
36	Game and fish fund	\$ 35,000
37	7. <u>Yuma office security system</u>	\$ 30,000
38	Fund source:	
39	Game and fish fund	\$ 30,000
40	8. <u>House rock driveway surfacing</u>	\$ 25,000
41	Fund source:	
42	Game and fish fund	\$ 25,000
43	9. <u>Statewide preventative maintenance</u>	\$ 15,000
44	Fund source:	
45	Game and fish fund	\$ 15,000

1	10. <u>Flagstaff office parking gate</u>	\$ 10,000
2	Fund source:	
3	Game and fish fund	\$ 10,000
4	11. <u>Yuma office fence</u>	\$ 10,000
5	Fund source:	
6	Game and fish fund	\$ 10,000
7	Total appropriation - game and fish department	\$ 1,125,000
8	Fund sources:	
9	Game and fish capital improvement fund	\$ 850,000
10	Game and fish fund	\$ 175,000
11	Waterfowl conservation fund	\$ 100,000
12	Sec. 5. <u>Capital outlay appropriations; major capital projects:</u>	
13	<u>department of transportation</u>	
14		<u>2006-2007</u>
15	Department of transportation:	
16	1. <u>Statewide highway construction</u>	\$226,273,000
17	Fund source:	
18	State highway fund	\$226,273,000
19	The amount appropriated for highway construction is from the state	
20	highway fund for the planning and construction of state highways, including	
21	the national system of interstate highways within this state, the state	
22	primary or secondary system, the county primary or secondary system and urban	
23	rural routes, the acquisition of rights-of-way, the cost of contracted field	
24	administration and field engineering on construction projects and debt	
25	service payments on bonds issued for highway construction. Any balances and	
26	collections in the state highway fund in excess of the specific amounts	
27	appropriated in the general appropriations act and in this act are	
28	appropriated to the department for the purposes provided in this paragraph.	
29	2. <u>Airport planning and development</u>	\$ 20,464,200
30	Fund source:	
31	State aviation fund	\$ 20,464,200
32	The amount is appropriated from the state aviation fund for the	
33	planning, construction, development and improvement of state, county, city or	
34	town airports as determined by the state transportation board. Any balances	
35	and collections in the state aviation fund in excess of the specific amounts	
36	appropriated in the general appropriations act and in this act are	
37	appropriated to the department of transportation for the purposes provided in	
38	this paragraph.	
39	3. <u>Glendale airport civil air patrol</u>	
40	<u>infrastructure improvements</u>	\$ 200,000
41	Fund source:	
42	State aviation fund	\$ 200,000
43	4. <u>Grand Canyon airport modular housing</u>	\$ 2,500,000
44	Fund source:	
45	State aviation fund	\$ 2,500,000

1	5. <u>Surprise motor vehicle division</u>	
2	<u>service center</u>	\$ 2,736,200
3	Fund source:	
4	State highway fund	\$ 2,736,200
5	6. <u>Asphalt storage tanks</u>	\$ 1,587,600
6	Fund source:	
7	State highway fund	\$ 1,587,600
8	7. <u>De-icer buildings</u>	\$ 1,478,000
9	Fund source:	
10	State highway fund	\$ 1,478,000
11	Total appropriation - department of transportation	\$255,239,000
12	Fund sources:	
13	State highway fund	\$232,074,800
14	State aviation fund	\$ 23,164,200

15 Sec. 6. Department of transportation reports; professional and
16 outside services

17 Before the expenditure of any monies for professional and outside
18 services, including contracted field administration and field engineering,
19 the department of transportation shall submit information on professional and
20 outside services funded from the capital budget to the joint committee on
21 capital review by July 1, 2006 for review. The submitted information shall
22 contain at least as much detail for professional and outside services as the
23 department's annual operating budget.

24 Sec. 7. Appropriations and distributions; microwave
25 communications system; department of public safety;
26 report

27 A. The sum of \$1,500,000 is appropriated from the state general fund
28 in each of the fiscal years 2006-2007, 2007-2008 and 2008-2009 to the
29 department of public safety for the design, construction and implementation
30 of a microwave communications system upgrade.

31 B. The sum of \$826,000 is appropriated from the state highway fund in
32 each of the fiscal years 2006-2007, 2007-2008 and 2008-2009 to the department
33 of transportation for distribution to the department of public safety for the
34 design, construction and implementation of a microwave communications system
35 upgrade.

36 C. The sum of \$207,000 is appropriated from the game and fish fund in
37 each of the fiscal years 2006-2007, 2007-2008 and 2008-2009 to the game and
38 fish department for distribution to the department of public safety for the
39 design, construction and implementation of a microwave communications system
40 upgrade.

41 D. The department of public safety shall submit an expenditure plan
42 and project timeline to the joint legislative budget committee for review
43 before expending any monies appropriated for the microwave communications
44 system upgrade. The submission shall include the results of the project
45 investment justification approval by the information technology authorization

1 committee. The department of public safety shall submit a report to the
2 joint legislative budget committee for review regarding expenditures and
3 progress by December 31, 2006 and June 30, 2007.

4 E. It is the intent of the legislature that \$1,600,000 of federal
5 homeland security monies be distributed in each of the fiscal years
6 2006-2007, 2007-2008 and 2008-2009 to fund the department of public safety
7 microwave communications system upgrade.

8 F. Of the appropriations made in this section for the microwave
9 communications system, the department of public safety may use up to \$295,600
10 annually for up to 4 FTE positions to provide project management.

11 Sec. 8. Appropriations; department of water resources; dam
12 repair

13 A. The sum of \$1,500,000 is appropriated from the state general fund
14 to the department of water resources in fiscal year 2006-2007 to repair the
15 City of Williams Dam.

16 B. The appropriation made in subsection A of this section shall be
17 used along with \$136,000 in local monies and in-kind contributions to repair
18 the City of Williams Dam.

19 Sec. 9. Statewide transportation acceleration needs account;
20 definition

21 A. The statewide transportation acceleration needs account is
22 established as a separate account in the state highway fund. The account
23 consists of all of the following:

- 24 1. Monies appropriated by the legislature.
- 25 2. Monies designated for deposit in the account by the transportation
26 board, a state agency or a political subdivision.
- 27 3. Monies received from the United States government for the purpose
28 of accelerating transportation projects.
- 29 4. Monies received from political subdivisions, Indian tribes or this
30 state or its agencies for the purpose of accelerating transportation
31 projects.
- 32 5. Interest and other income received from investing monies in the
33 account.
- 34 6. Gifts, grants, donations or other amounts received from any public
35 or private source for deposit in the account for the purpose of accelerating
36 transportation projects.

37 B. On notice from the transportation board, the state treasurer shall
38 invest and divest monies in the statewide transportation acceleration needs
39 account as provided by section 35-313, Arizona Revised Statutes, and monies
40 earned from investment shall be credited to the account.

41 C. The transportation board may establish any subaccount in the
42 statewide transportation acceleration needs account that the board determines
43 is necessary or appropriate to carry out the purposes of this section.

44 D. If a governmental entity or a private person deposits monies in the
45 statewide transportation acceleration needs account for acceleration of a

1 specific project and the appropriate regional planning agency or council of
2 governments in cooperation with the transportation board approves the
3 project, the board shall designate the monies deposited by the governmental
4 entity or private person solely for the project for which the monies are
5 deposited.

6 E. Notwithstanding section 28-6993, Arizona Revised Statutes, and any
7 other agreements entered into by the department of transportation for the
8 distribution and expenditure of monies from the state highway fund, the
9 transportation board shall not approve any expenditures from the statewide
10 transportation acceleration needs account unless the expenditure is made in
11 accordance with this section and is for the construction or reconstruction of
12 freeways, state highways, bridges and interchanges that are contained in the
13 regional transportation plan of a county or the department's long-range
14 statewide transportation plan pursuant to section 28-506, Arizona Revised
15 Statutes. For the purposes of this subsection, a regional transportation
16 plan is a twenty year comprehensive, performance based, multimodal and
17 coordinated regional transportation plan that is approved for the county as
18 provided by law and as amended or otherwise modified.

19 F. Monies in the statewide transportation acceleration needs account
20 shall be used only to pay for the following costs of a transportation project
21 approved pursuant to this section:

22 1. Materials and labor.
23 2. Acquisition of rights-of-way for highway needs.
24 3. Design and other engineering services that are within the scope of
25 engineering practice as provided in title 32, chapter 1, Arizona Revised
26 Statutes.

27 4. Other directly related costs approved by the transportation board.

28 G. Monies in the statewide transportation acceleration needs account
29 that are appropriated by the legislature and any interest earnings shall be
30 allocated as follows:

31 1. For a county with a population of at least one million two hundred
32 thousand persons for the area included in the regional planning agency's
33 transportation improvement plan, sixty per cent.

34 2. For a county with a population of more than five hundred thousand
35 persons but less than one million two hundred thousand persons for the area
36 included in the regional planning agency's transportation improvement plan,
37 sixteen per cent.

38 3. For all other counties, twenty-four per cent.

39 H. The regional planning agency in a county designated as a
40 transportation management area shall establish a process for the review and
41 approval of transportation projects eligible to receive monies from the
42 statewide transportation acceleration needs account. As part of its request
43 to the transportation board for monies, the regional planning agency shall
44 ensure and submit evidence satisfactory to the board that any project costs
45 not eligible for monies from the statewide transportation acceleration needs

1 account are available and dedicated to the project. In all other counties,
2 the department, in cooperation with the metropolitan planning organization or
3 the council of governments that has the authority to approve transportation
4 projects for the county, shall develop requests for expenditure of monies
5 from the statewide transportation acceleration needs account. As part of the
6 request to the transportation board for monies, the metropolitan planning
7 organization or the council of governments for the department shall submit
8 evidence satisfactory to the board that any project costs not eligible for
9 monies from the statewide transportation acceleration needs account are
10 available and dedicated to the project.

11 I. On receipt of a request for monies from the statewide
12 transportation acceleration needs account, the transportation board shall
13 place the request on the agenda for the next regular business meeting of the
14 board. The board shall review the request and, in cooperation with the
15 regional planning agency, the metropolitan planning organization or the
16 council of governments, approve the request or further modify the request
17 before approval.

18 J. The transportation board shall not approve the release of any
19 monies from the statewide transportation acceleration needs account for a
20 transportation project unless the board verifies that all costs related to
21 construction of the project are covered.

22 K. Monies in the statewide transportation acceleration needs account
23 shall be used to supplement, not supplant, funding that would otherwise be
24 made available for projects.

25 L. On or before July 1 of each year, the transportation board shall
26 submit a report of its activities pursuant to this section to the governor,
27 the president of the senate and the speaker of the house of representatives
28 and shall provide a copy of this report to the secretary of state, the
29 director of the joint legislative budget committee and the director of the
30 Arizona state library, archives and public records.

31 M. A regional planning agency that receives monies from the statewide
32 transportation acceleration needs account shall report on or before December
33 15 of each year to the senate and house of representatives transportation
34 committees on approved projects and amounts expended for those projects.

35 N. For the purposes of this section, "project" means the construction
36 or reconstruction of a specific portion of a freeway or state highway or a
37 bridge or interchange or a portion of a bridge or interchange that is
38 constructed at a single location.

39 Sec. 10. State archives and history building; completion;
40 appropriation

41 The sum of \$8,000,000 is appropriated from the state general fund in
42 fiscal year 2007-2008 to the legislative council for completion of the Polly
43 Rosenbaum state archives and history building.

1 Sec. 11. Appropriation; multipurpose facility

2 The sum of \$450,000 is appropriated from the state general fund in
3 fiscal year 2006-2007 to the department of economic security to be combined
4 with dollar for dollar matching monies from the Navajo nation for
5 distribution to the Navajo tribe for a multipurpose facility at the
6 Dennehotso chapter.

7 Sec. 12. Prescott historical society; appropriation;
8 maintenance facility

9 The sum of \$400,000 is appropriated from the state general fund in
10 fiscal year 2006-2007 to the Prescott historical society to be combined with
11 dollar for dollar matching monies from nonstate sources for planning, design
12 and construction of a maintenance and workshop facility.

13 Sec. 13. Arizona state schools for the deaf and the blind;
14 appropriation; new facilities and building
15 renovations

16 A. The sum of \$19,000,000 is appropriated from the state general fund
17 in fiscal year 2006-2007 to the Arizona state schools for the deaf and the
18 blind for new facilities and building renovations at the Phoenix and Tucson
19 campuses.

20 B. Before issuing any request for proposals or procuring any services
21 related to the appropriation provided in subsection A of this section, the
22 Arizona state schools for the deaf and the blind shall submit a preliminary
23 expenditure plan and proposed procurement method or methods to the joint
24 committee on capital review for its review.

25 C. Pursuant to section 41-1252, Arizona Revised Statutes, before
26 undertaking any construction activities and after complying with subsection B
27 of this section, the Arizona state schools for the deaf and the blind shall
28 submit the scope, purpose and estimated cost of the projects to the joint
29 committee on capital review for its review.

30 Sec. 14. Intersection improvements; fire suppression;
31 appropriation

32 The sum of \$1,105,000 is appropriated from the state general fund in
33 fiscal year 2006-2007 to the department of transportation for intersection
34 improvements near the former Williams Air Force Base and a fire suppression
35 system service line at Williams Gateway Airport.

36 Sec. 15. Use of appropriations; limitation

37 Unless otherwise specified, the monies appropriated in this act shall
38 not be spent for personal services or employee-related expenditures of state
39 employees, excluding any services provided as part of the inmate construction
40 program for correctional facilities.

41 Sec. 16. Lapsing; exemption

42 Unless otherwise specified, the appropriations made in this act do not
43 lapse until the purpose for which the appropriation was made has been
44 accomplished or abandoned, or the appropriation stands for a full fiscal year
45 without an expenditure or an encumbrance.